

ARMY RDT&E BUDGET ITEM JUSTIFICATION (R-2 Exhibit)								June 2001		
BUDGET ACTIVITY 6 - MANAGEMENT SUPPORT				PE NUMBER AND TITLE 0605103A - Rand Arroyo Center				PROJECT 732		
COST (In Thousands)	FY 2000 Actual	FY 2001 Estimate	FY 2002 Estimate	FY 2003 Estimate	FY 2004 Estimate	FY 2005 Estimate	FY 2006 Estimate	FY 2007 Estimate	Cost to Complete	Total Cost
732 ARROYO CENTER SPT	17051	19689	19972	0	0	0	0	0	0	0
<p><u>A. Mission Description and Budget Item Justification:</u></p> <p><u>PLEASE NOTE:</u> This administration has not addressed FY2003-2007 requirements. All FY 2003-2007 budget estimates included in this book are notional only and subject to change.</p> <p>This program funds the RAND Arroyo Center, the Department of the Army's Federally Funded Research and Development Center (FFRDC) for studies and analysis, which has operated at RAND since 1985. The Arroyo Center draws its researchers from RAND's staff of nearly 700 professionals trained in a broad range of disciplines. Most staff members work in RAND's two principal locations-Santa Monica, California, and Arlington, Virginia. The RAND Arroyo Center provides for continuing analytical research across a broad spectrum of issues and concerns, which are grouped in four major research areas: Strategy, Doctrine, and Resources; Military Logistics; Manpower and Training; and Force Development and Technology. The RAND Arroyo Center research agenda is primarily focused on mid/long-term concerns. Results and analytical findings directly impact senior leadership deliberations on major issues. Arroyo Center research is sponsored by the Chief of Staff, Vice Chief, and Assistant Vice Chief of the Army; the Deputy Chiefs of Staff of the Army; the Assistant Army Secretaries; and most of the Army's major commands. The Arroyo Center is provided guidance from the Army through the Arroyo Center Policy Committee (ACPC), which is co-chaired by the Vice Chief of Staff of the Army and the Assistant Secretary of the Army (Acquisition, Logistics and Technology). The ACPC reviews, monitors, and approves the annual Arroyo Center research plan as well as all individual research projects. Each project requires General Officer (or SES equivalent) sponsorship and involvement on a continuing basis. RAND Arroyo provides the Army with a unique multidisciplinary capability for independent analysis. Although the Arroyo Center staff work with analysts in the Army's internal study program, the Arroyo Center is an independent organization that provides analysis for both the Army and the broader national security community. Work in this program element is consistent with the resource constrained Army Science and Technology Master Plan (ASTMP), the Army Modernization Plan, and Project Reliance.</p> <p><u>FY 2000 Accomplishments</u></p> <ul style="list-style-type: none"> • 3111 Conducted research addressing the Army's role in national security, to include assisting the Army leadership to prepare for high-level strategy, force structure, and resource reviews; assessed the Army's current role in space and how it can be enhanced in the future; examined new concepts, technologies, and doctrine to enhance Army capabilities to conduct operations in urban environments; sought to explain what did not take place (and why) as well as what did and the way in which diplomatic factors and coalition and physical constraints affected operations in the Kosovo campaign; and provided a framework for monitoring the emergence of "peer competitors." 										

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FY 2000 Accomplishments (Continued)

- 4085 Conducted research addressing the creation of a more agile, responsive force, to include a quantitative assessment of new rapid-reaction capabilities; determined the effects of deployment policies on personnel readiness; identified ways to support SSC missions while minimizing impacts on the Army's ability to execute its time-phased force deployment list for a Multi-Theater War (MTW); developed and supported the implementation of process improvement initiatives that will help the Army improve the order and ship process; helped the Army size and configure the stocks at the retail echelons to improve supply performance and reduce inventory investment; extended the Velocity Management (VM) methodology to the "quality" aspect of Army processes to help understand the sources of quality problems, measure their impact on the logistics system, and help generate corrective solutions; examined alternative unit resource priority-setting methodologies and new concepts for resourcing units to maintain a readiness posture that supports the full range of operational missions; and provided analytic planning and execution support to five Army After Next franchises.
- 2249 Conducted research addressing recapitalization and modernization strategies, to include developing measures of effectiveness for evaluating contributions to future capabilities provided by Army modernization programs; used high-resolution simulation to quantify characteristics of future-force concepts and determined their military utility in a system-of-systems context; examined Army programs and investment strategies and recommended alternative strategies that might result in quicker fielding of force capabilities; provided a long-term vision of how spiral development, as applied to information systems, should be incorporated within the Army acquisition, test and evaluation, and training environment; and analyzed the necessary tradeoffs in meeting increasing demands on current forces while preparing to modernize with no or little increases in the acquisition budget.
- 674 Provided analytic support to the QDR effort, to include helping the Army leadership evaluate how to best develop and demonstrate capabilities to support domestic authorities in peace and war; and forecasted active duty personnel costs in order to assess whether out-year personnel budget amounts are sufficient to attract and retain the quantity and quality of personnel sought by the Army.
- 3148 Conducted research addressing staffing and shaping the force, to include developing designs and plans for conducting Army recruiting market research and evaluating the cost-effectiveness of advertising and marketing programs; addressed the frequency of ARNG rotations to CTCs; analyzed personnel policy issues that arise as the Army implements distance learning; tested and evaluated alternative ROTC staffing programs that could reduce demands for active personnel; and assessed how the Army's new Officer Personnel Management System is affecting long-standing problems in the officer force.
- 3035 Conducted research addressing reshaping support functions, to include developing concepts to improve Army depot maintenance processes and provide improved weapon-system maintenance support across all echelons for existing equipment and new technologies; analyzed single stock fund policies to identify implementation issues and recommended policy refinements; helped the Army improve its strategic responsiveness in small- and mid-size operations; applied the VM define-measure-improve methodology to the procurement process in lead times and order quantities to reduce administrative and production lead times; and developed a blueprint to guide the Army toward its future (2005-2015 and beyond) logistics system.

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732**FY 2000 Accomplishments (Continued)**

- 749 Conducted research addressing maintaining the technological edge, to include identifying ways the Army can better collaborate and partner with industry by exploiting acquisition reform initiatives to improve the Army's acquisition system; and determined if there are better organizational models for the Army laboratories.

Total 17051

FY 2001 Planned Program

- 4821 Research addressing the Army's transformation including technological and programmatic assessment of the Future Combat Systems; full spectrum land force capabilities assessment; objective force analysis; technical feasibility of proposed tactical airlift systems; effectiveness of medium forces in past conflicts; human resource implications of Army transformation; joint rapid decisive operations; support to Army transformation wargaming and analysis; and supporting small and mid-sized operations.
- 4427 Research on issues being raised by the administration in its major defense review including Army capabilities to respond to future engagement requirements; globalization of multinational force compatibility programs; installation planning for weapons of mass destruction preparedness; force deployment cost comparison; modeling costs of Army force structure changes; cost effectiveness tradeoffs between Apache and Comanche; military operations on urbanized terrain; integrated modernization analysis process; alternatives to two MTWs as force-planning constructs; force management and readiness to support multiple missions; and personnel management in support of multiple missions.
- 4217 Research on reshaping support functions including improving the Army's fulfillment process; establishing better links in the supply chain; improving the Army's stockage determination process; managing training ammunition; improving Army maintenance processes; strategic actions for the Combat Support/Combat Service Support transformation; diagnosing equipment serviceability; and facilitating implementation of the single stock fund.
- 1554 Research on shaping and staffing the force including structuring U.S. combat capability for early conflict termination; keeping future Army pay competitive; collective training resources and unit readiness; officer accession and retention; assessing the Officer Personnel Management System; manning the Army Special Operations Forces; and determining training proficiency at CTCs.
- 3500 Research aimed at maintaining the Army's technological edge including improving the Army's procurement process; understanding how to do a better job in outsourcing science and technology; portfolio planning for Army programs; and expanded acquisition development strategy.
- 585 Support a study on Army acquisition practices at the Center for Naval Analysis.
- 585 Small Business Innovation Research/Small Business Technology Transfer (SBIR/STTR) Programs.

Total 19689

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732**FY 2002 Planned Program**

- 6990 Research addressing the national security debate
- 5792 Research addressing shaping and staffing the force
- 5992 Research addressing reshaping support functions and infrastructure.
- 1198 Research addressing exploring technology alternatives

Total 19972

<u>B. Program Change Summary</u>	FY 2000	FY 2001	FY 2002	FY 2003
Previous President's Budget (FY2001 PB)	17523	19872	20183	0
Appropriated Value	17656	19872	0	0
Adjustments to Appropriated Value	0	0	0	0
a. Congressional General Reductions	0	0	0	0
b. SBIR / STTR	-472	0	0	0
c. Omnibus or Other Above Threshold Reductions	-72	0	0	0
d. Below Threshold Reprogramming	0	0	0	0
e. Rescissions	-61	-183	0	0
Adjustments to Budget Years Since FY2001 PB	0	0	-211	0
Current Budget Submit (FY 2002/2003 PB)	17051	19689	19972	0